

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
THE APPRAISAL OF CONTENT IS TENTATIVE.
(FOR KEY SEE REVERSE)

- 25X1 1. As of November 1950, the Polimex foreign trade company was divided into two directorates: the trade directorate and the financial administrative directorate. The following departments were subordinate to the trade directorate:
- 25X1 (a) Machine tool department.
- 25X1 (b) Machinery department.
- 25X1 (c) Tool department.
- (d) Transportation department.
2. Each of these departments was divided into branches. The machinery department, for example, was divided into an agricultural and a construction machinery branch, the tool department into cutting tools, measuring devices, etc., branches, the transportation department into license, insurance and customs branches, etc.
3. The following departments were subordinate to the financial administrative directorate:
- (a) Planning department.
- (b) Administrative department.
- (c) Financial department.
4. The planning department, in cooperation with the Ministry of Foreign Trade, worked out and issued instructions concerning conclusion and carrying out of trade transactions. The administrative department took care of operating the economic side of the Polimex company and had nothing to do with foreign trade. The financial department dealt with accounts between the foreign suppliers and domestic customers.

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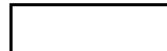
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5. Besides the directorates mentioned above, there were the personnel and security (local UB) departments, which were directly subordinated to the director of Polimex.
6. Responsible for the course followed by trade transactions were those employees of the branches of the trade directorate who took care of the execution of an individual order from its inception to its completion. In Poland, the course followed by a transaction is very complicated because of the so-called centralization and planned economy. A typical transaction would be handled as follows:
 - a. A would-be purchaser sends an order to the Internal Trade Center, which decides through which foreign trade enterprise the order is to be placed. The order, of course, first has to be approved by superior authority and has to be included in the investment plan, i.e. it has to be covered by the budget.
 - b. The Internal Trade Center forwards the order to the foreign trade enterprise.
 - c. The foreign trade enterprise collects offers from foreign firms, selects one of them and sends the offer to the Internal Trade Center.
 - d. The Internal Trade Center gets in touch with the customer and, with his consent, approves the choice of the Foreign Trade Center..
 - e. The foreign trade enterprise sends a conditional order--under the condition that the import license will be granted.
 - f. The foreign purveyor sends a confirmation of the order, together with estimates approved and signed by the trade representative of the local Polish diplomatic establishment.
 - g. The foreign trade enterprise makes an application to the Ministry of Foreign Trade for the import license.
 - h. The foreign trade enterprise receives the import license and informs the foreign purveyor of confirmation of the order. The payment and transportation formalities are also settled in accordance with the conditions of the transaction. All transportation matters in Poland are handled by the Hartwig firm, which is in touch with similar transportation firms throughout the world. Therefore, the foreign trade enterprise indicates a correspondent of Hartwig on each order and the foreign purveyor is expected to get in touch with the designated transportation firm in order to ship the goods. Hartwig, having received the shipment at a Polish port, forwards it directly to the domestic customer.
7. Polimex employed some 500 persons. It dealt only with imports. Machinery and tool exports were handled by Metalexport, another foreign trade enterprise located at Warsaw, Mokotowska ul. 49.
8. In 1951, the tool department of Polimex was transferred to Varimex, another foreign trade enterprise. following persons were working at Varimex:

a. Jerzy Frankowski, section manager.

b. Wladyslaw Sztekiel, official;

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c. Wladyslaw Bialek, section manager;

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d. Jerzy Piotrowski, section manager;

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e. Anna Pryk or Pryll, section manager;

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f. Lech Pokosyles, department manager.

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